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First American Title Insurance Company

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY**

In re:

CLEAR ADVANTAGE TITLE, INC.,

Debtor.

In Proceedings Under Chapter 7
of the United States Bankruptcy Code

Case No. 07-28673 (MBK)

FIRST AMERICAN TITLE INSURANCE
COMPANY,

Plaintiff,

vs.

CLEAR ADVANTAGE TITLE, INC., EDWARD A.
M. FURFEY, JOHN DOE 1-5 (Fictitious Names) and
ABC CORPORATIONS 1-5 (Fictitious Names),

Defendants.

Adv. Proc. No. 08-01133 (MBK)

**DECLARATION OF NANCY NEWMAN BROWN IN SUPPORT OF
PLAINTIFF FIRST AMERICAN TITLE INSURANCE COMPANY'S
MOTION FOR LEAVE TO FILE AN AMENDED VERIFIED COMPLAINT**

HERRICK, FEINSTEIN LLP
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Newark, New Jersey 07102
973.274.2000
Attorneys for Plaintiff
First American Title Insurance Company

NANCY NEWMAN BROWN, of full age, being duly sworn, hereby deposes and says:

1. I am a Vice President and State Claims Counsel for First American Title Insurance Company ("First American"). I am personally familiar with the facts set forth herein, and submit this Declaration in support of First American's motion for leave to file an Amended Verified Complaint. I have personal knowledge of the facts set forth herein.

2. Annexed hereto as Exhibit A is a true copy of the Verified Complaint filed by First American against Clear Advantage Title, Inc. ("Clear Advantage") and Edward A.M. Furfey ("Furfey," and with Clear Advantage, the "Clear Advantage Defendants") in the New Jersey Superior Court, Chancery Division, in Mercer County on June 28 2007, captioned: First American Title Insurance Company v. Clear Advantage Title, Inc., et al., Docket No. C-62-07.

3. Annexed hereto as Exhibit B is a true copy of an Agency Agreement dated August 5, 2005 that was executed by Clear Advantage and First American.

4. Annexed hereto as Exhibit C is a true copy of a Personal Undertaking dated August 5, 2005 that was executed by Furfey in favor of First American.

5. Annexed hereto as Exhibit D is a true copy of the Certification of Barbara Coleman dated June 27, 2007 in support of First American's order to show cause for a preliminary injunction.

6. Annexed hereto as Exhibit E is a true copy of a Verified Complaint filed by Clear Advantage against Jeffrey Gibb and others, in the New Jersey Superior Court, Law Division, in Mercer County on November 14, 2006, captioned: Clear Advantage Title, Inc. v. Jeffrey Gibb, Docket No. MER-L-0069-07.

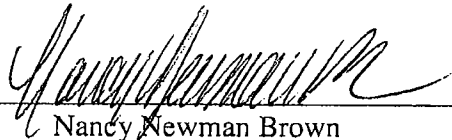
7. Annexed hereto as Exhibit F is a true copy of a First Amended Complaint filed by Clear Advantage against Jeffrey Gibb and others, in the New Jersey Superior Court, Law Division, in Mercer County on January 10, 2007, captioned: Clear Advantage Title, Inc. v. Jeffrey Gibb, Docket No. MER-L-0069-07.

8. Annexed hereto as Exhibit G is a true copy of a Second Amended Complaint filed by Clear Advantage against Jeffrey Gibb and others, in the New Jersey Superior Court, Law Division, in Mercer County on or about July 12, 2007, captioned: Clear Advantage Title, Inc. v. Jeffrey Gibb, Docket No. MER-L-0069-07.

9. Annexed hereto as Exhibit H is a true copy of First American's proposed Amended Verified Complaint.

10. As a result of the misappropriation, diversion and defalcation of funds at Clear Advantage, First American has incurred, or will incur, damages well in excess of \$3.3 million attributable to (i) the instant litigation, (ii) a series of independent, but related, legal proceedings commenced by or against First American's insureds, (iii) an exhaustive analysis of the nearly 300 claims received to date resulting from the foregoing acts of misconduct, and other acts of gross negligence, and (iv) efforts to cure, resolve and address the issues affecting First American's insureds as a result of Clear Advantage's failure to satisfy liens or other closing obligations, to record documents or to issue title insurance policies.

I declare under penalty of perjury that all of the foregoing statements made by me are true and correct.



Nancy Newman Brown

Dated: July 31, 2008